COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON TRADE
SUBCOMMITTEE ON WORKER & FAMILY SUPPORT

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April 8, 2020

The Honorable Nancy Pelosi Speaker U.S. House of Representatives

The Honorable Steny H. Hoyer Majority Leader U.S. House of Representatives

The Honorable Charles E. Schumer Democratic Leader U.S. Senate The Honorable Kevin McCarthy Republican Leader U.S. House of Representatives

The Honorable Mitch McConnell Majority Leader U.S. Senate

Dear Leaders:

I want to thank you for your bipartisan leadership, which enabled Congress to enact three measures in the span of three weeks to combat COVID-19. As we consider additional bills, I write to respectfully request that we use this opportunity to enhance the employee retention tax credit (Section 2301 of the *CARES Act*) and the Emergency Family and Medical Leave Expansion Act (Division C of the *Families First Coronavirus Response Act*, as amended by Title III, Part IV, Subtitle C of the *CARES Act*). I was deeply involved in developing these two provisions. While they are good, they should be further strengthened.

On the employee retention tax credit, I urge you to consider the following steps: (1) increase the wage subsidy above 50 percent of qualified wages; (2) increase the per-employee qualified wage cap above \$10,000; (3) expand the definition of "eligible employer"; (4) adjust the definition of "qualified wages" as applied to employers with over 100 employees; (5) eliminate or modify the provision that prohibits an employer from both claiming the credit and receiving funding under the Paycheck Protection Program (Section 1102 of the *CARES Act*); and (6) adjust the 30-day limitation in subsection (c)(3)(B) to ensure that employer payments to tipped restaurant workers are creditable.

These changes would make the ERTC more useful to businesses and workers, minimizing the number of workers who are forced to seek unemployment benefits. During this crisis, it is critical to keep as many workers as possible tethered to their jobs, where they can continue to receive employer-sponsored health coverage and at least some portion of their previous salary or wages.

On emergency family and medical leave, the law we enacted—justifiably—provides extended paid leave to workers who must stay home to care for a child whose school or day care has closed. However, unlike the bill I filed on March 11, 2020, H.R. 6198, the *Emergency Paid Leave Act*, the law excludes workers who have COVID-19; who are quarantined at the instruction of a doctor, employer, or public health official; or who must stay home to care for a family member affected by COVID-19. This is not sound policy. Sick—or potentially sick—workers without access to paid leave are more likely to report to work and infect others because staying home could mean economic ruin. During this emergency, I hope we can reasonably expand eligibility for extended paid leave to include some or all of these additional categories of workers.

Sincerely,

Stephanie Murphy

Member of Congress

cc: Hon. Richard Neal, Chairman, House Committee on Ways and Means

Hon. Kevin Brady, Ranking Member, House Committee on Ways and Means

Hon. Robert C. "Bobby" Scott, Chairman, House Committee on Education and Labor

Hon. Virginia A. Foxx, Ranking Member, House Committee on Education and Labor